

Figure 2

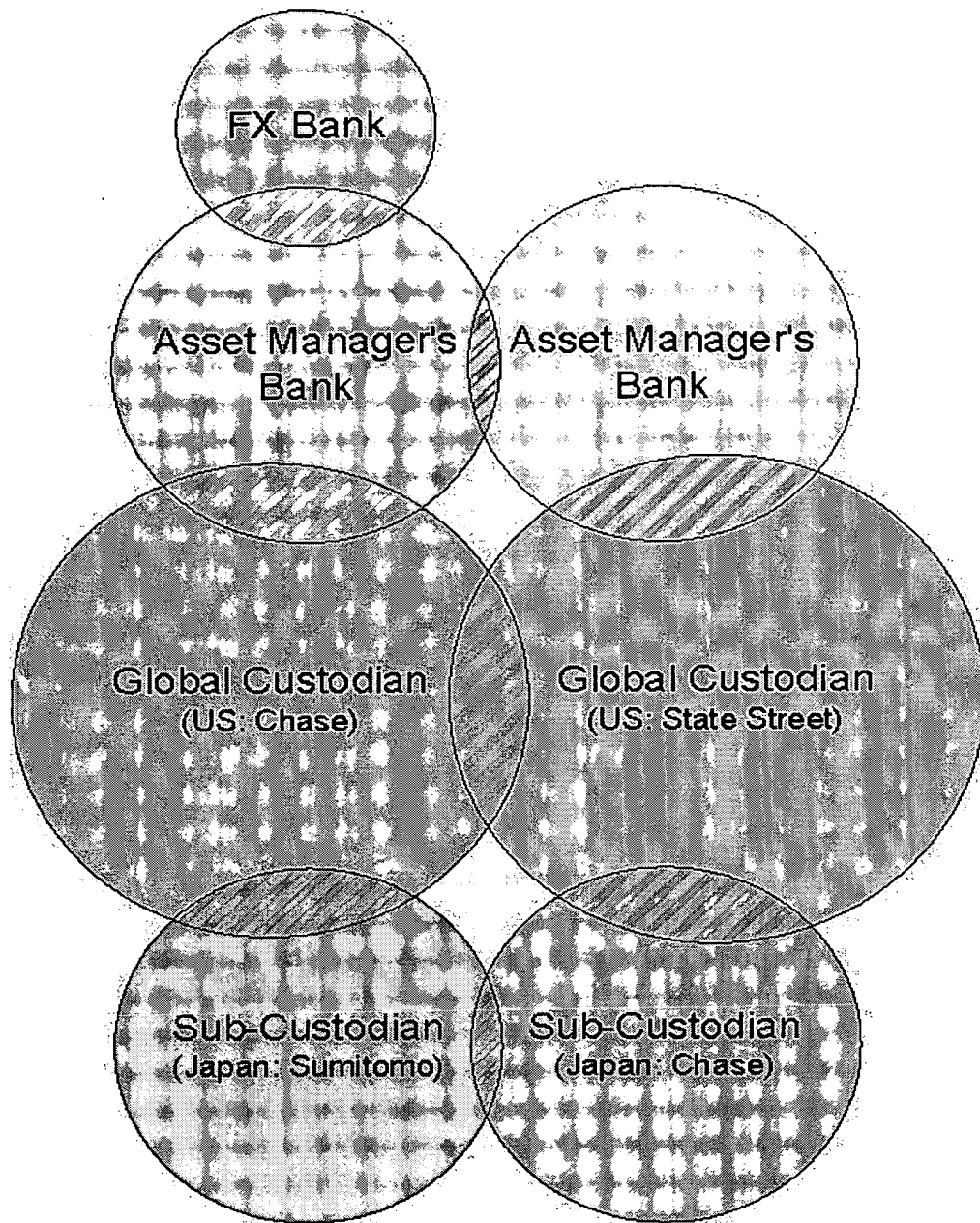


Figure 3

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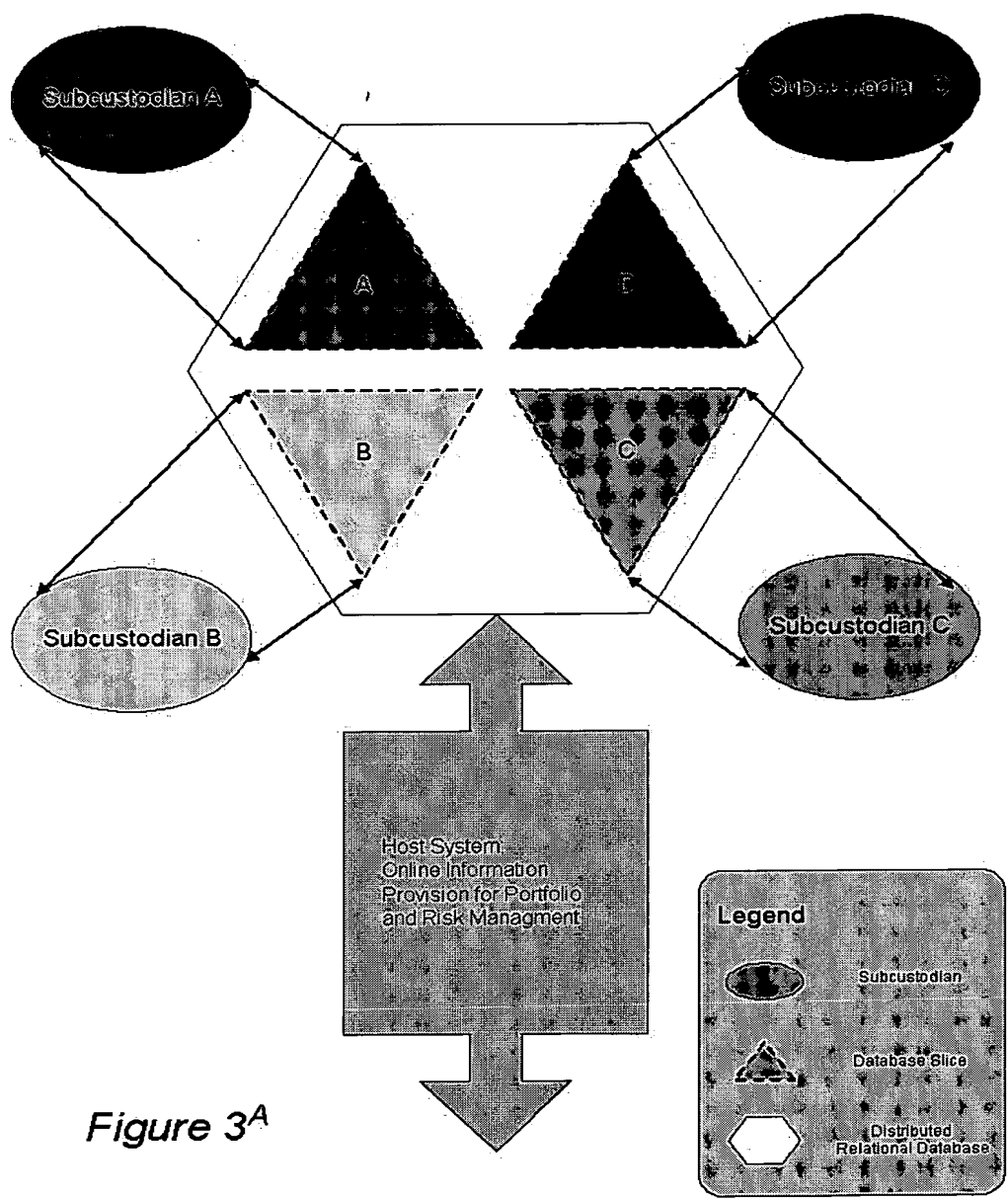


Figure 3^A

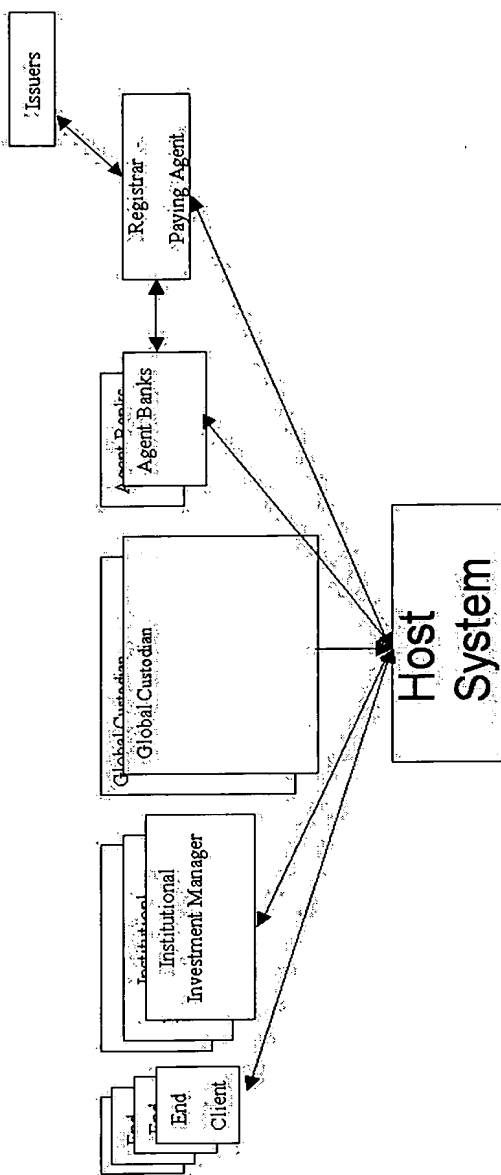


Figure 4

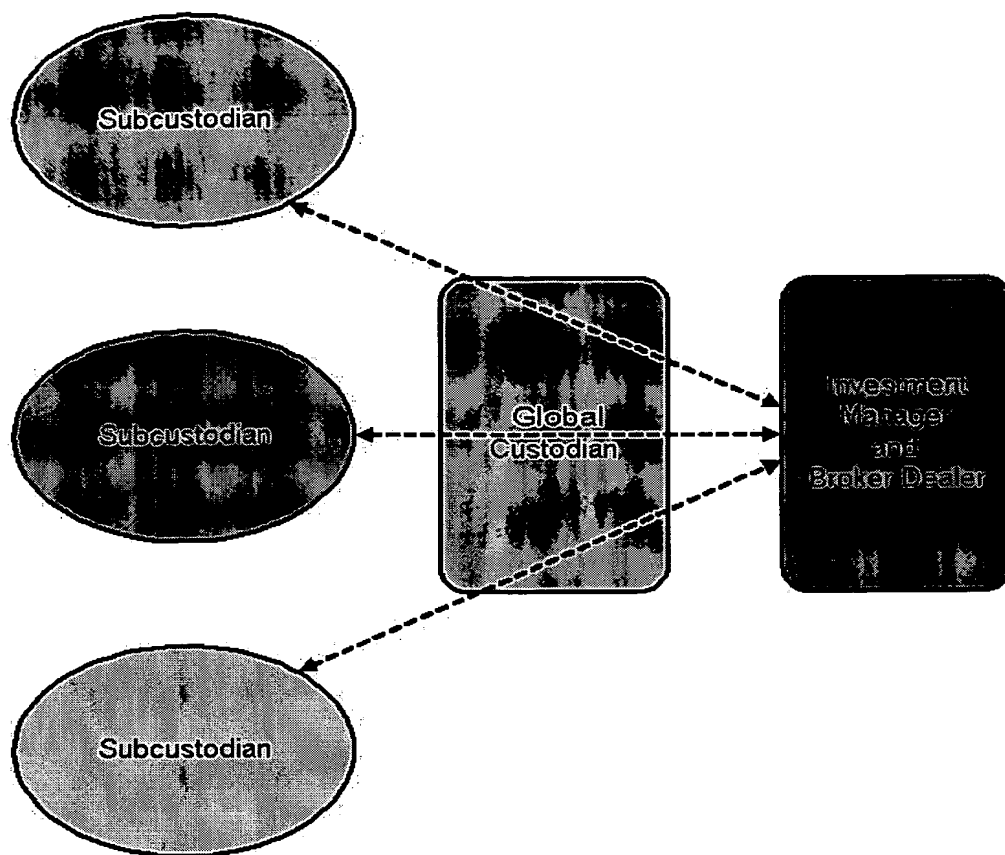


Figure 5

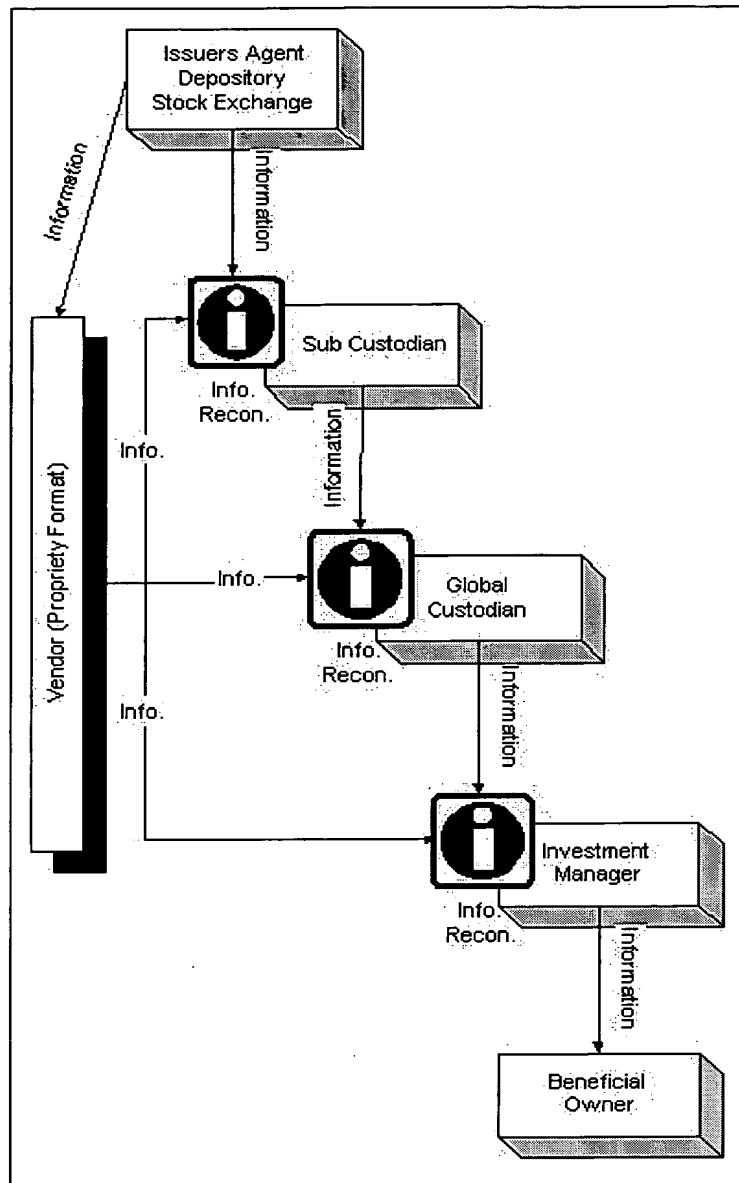


Figure 6

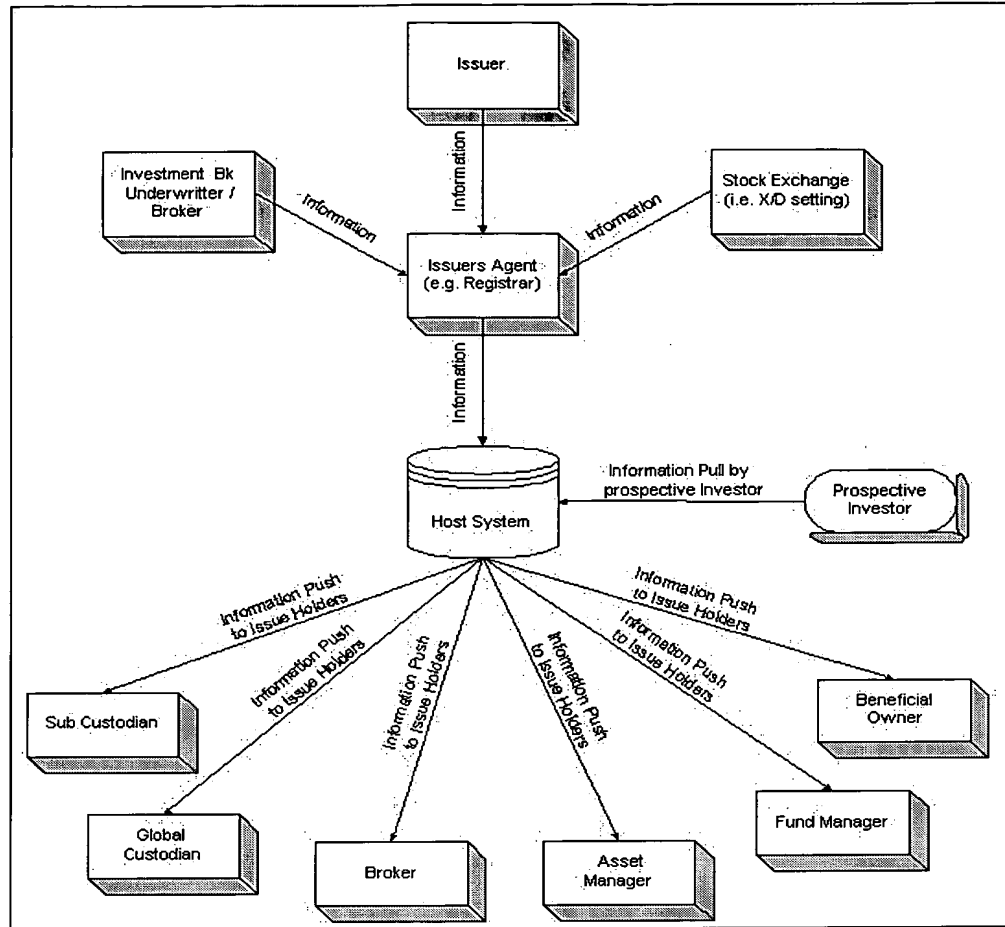


Figure 7

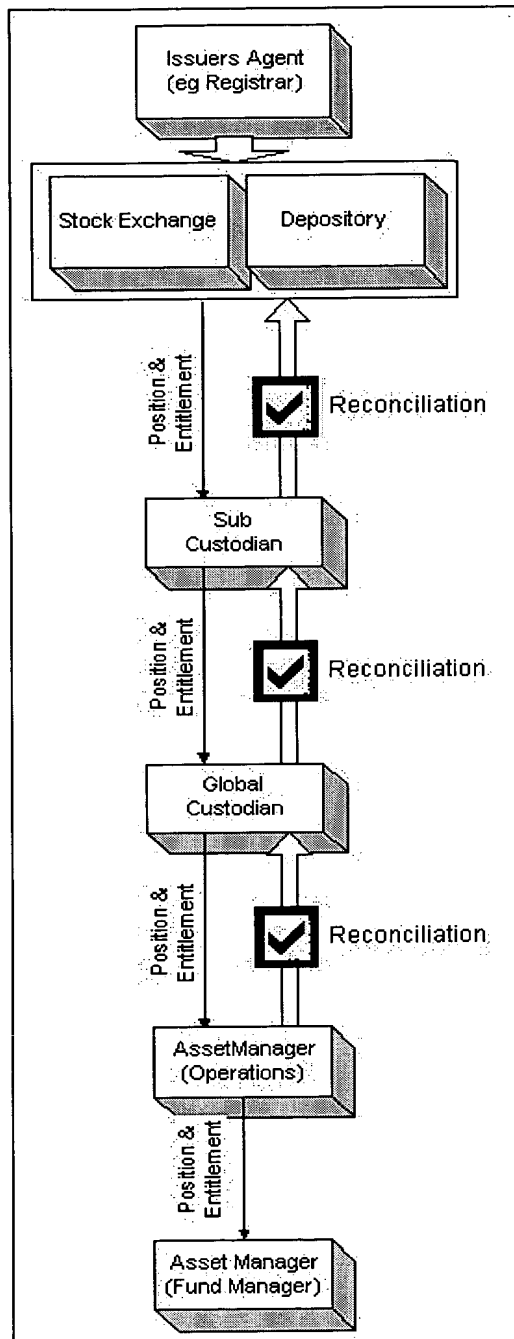


Figure 8

The diagram illustrates the flow of information and reconciliation in a securities settlement system. At the top, the **Issuers Agent (eg Registrar)** is connected to the **Stock Exchange** and **Depository**. The Issuers Agent may hold positions directly for various Industry Participants. The Stock Exchange and Depository are connected to the **Host System** via **Entitlement** and **Reconciliation** (indicated by a checkmark icon). The Host System is connected to various participants: **Sub Custodian**, **Global Custodian**, **Broker**, **Asset Manager**, **Fund Manager**, and **Beneficial Owner**. The Host System sends **Position & Entitlement** information to each of these participants. The Beneficial Owner and Fund Manager also send **Position & Entitlement** information back to the Host System. A **Position Inquiry** is shown as a dashed line from the Host System to the Sub Custodian and Global Custodian. A note on the right states: "Ultimately Positions could be updated directly between X-B-X and the Issuer / Issuers Agent".

Figure 9

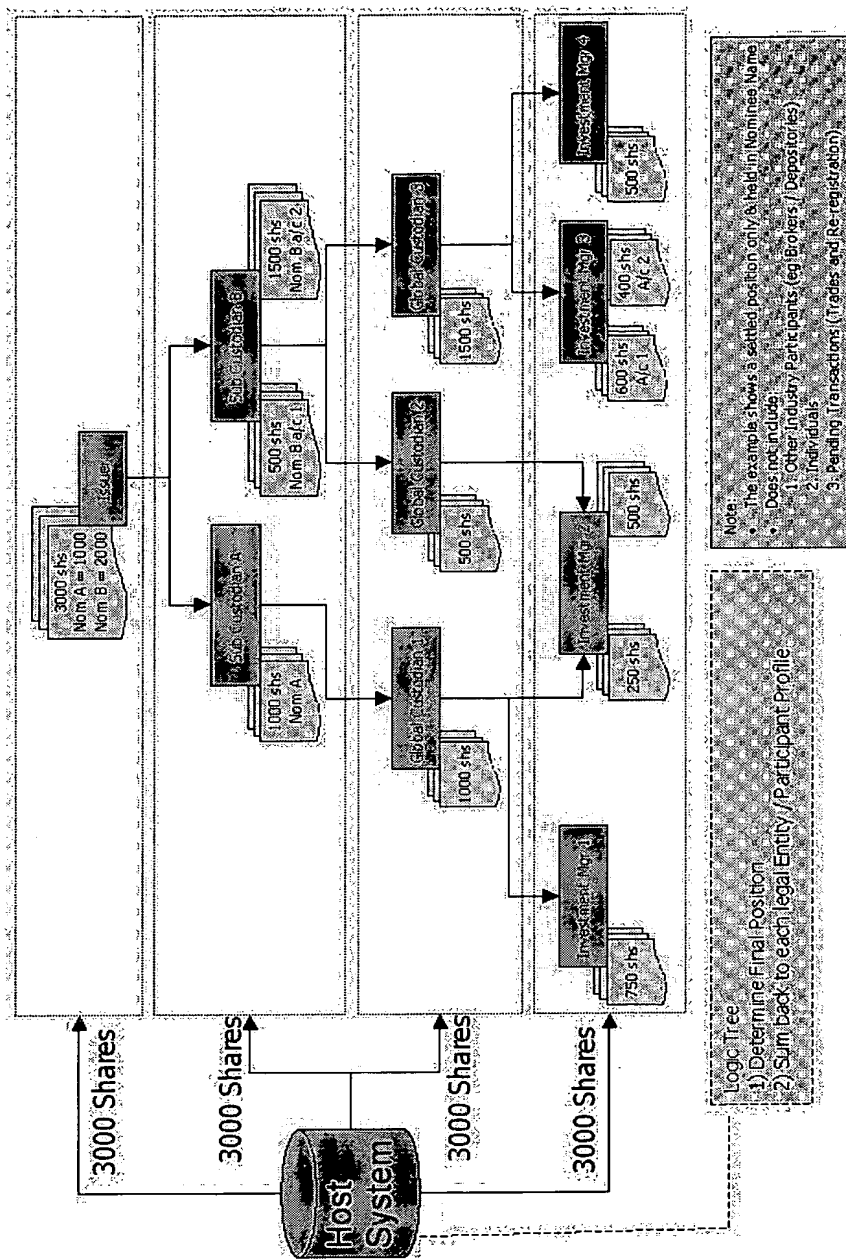


Figure 10

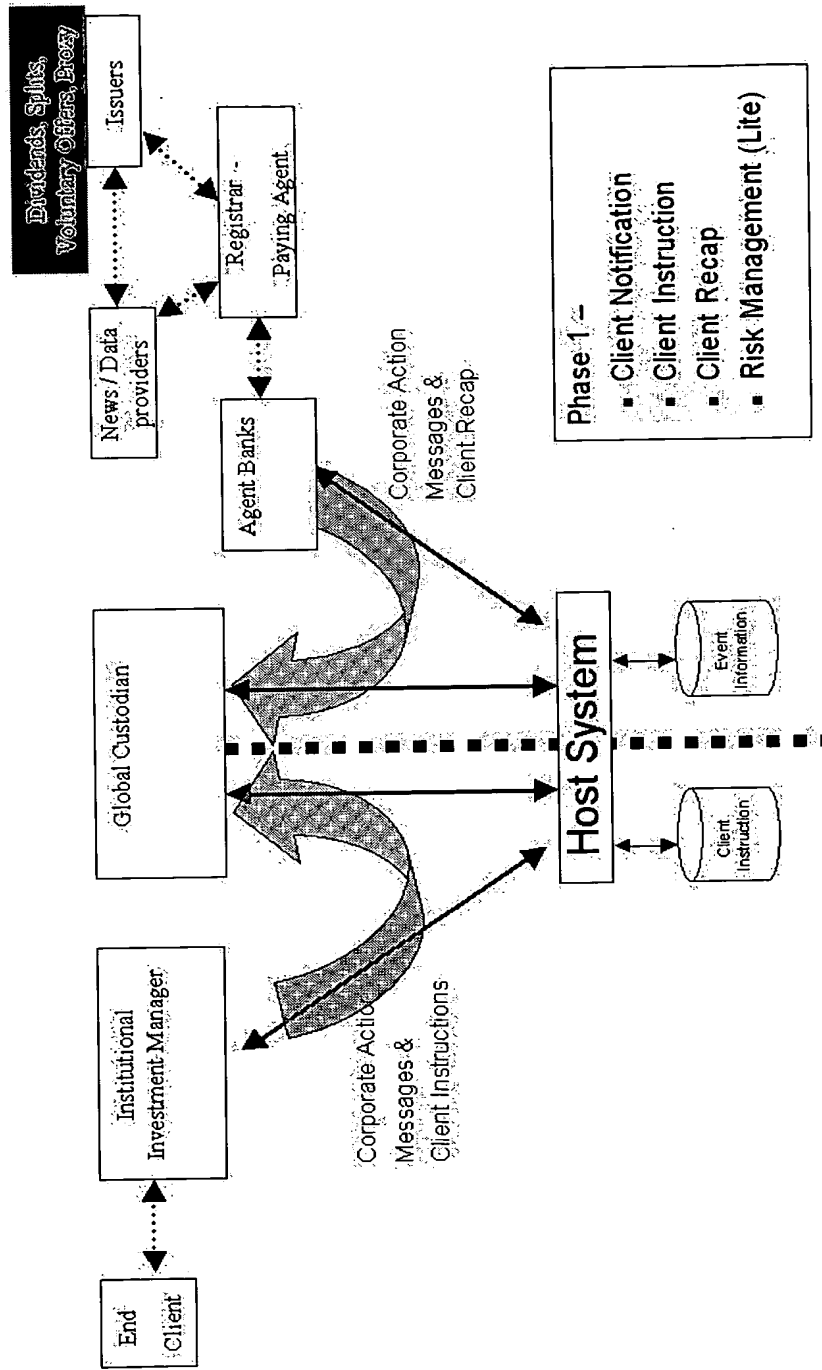


Figure 12

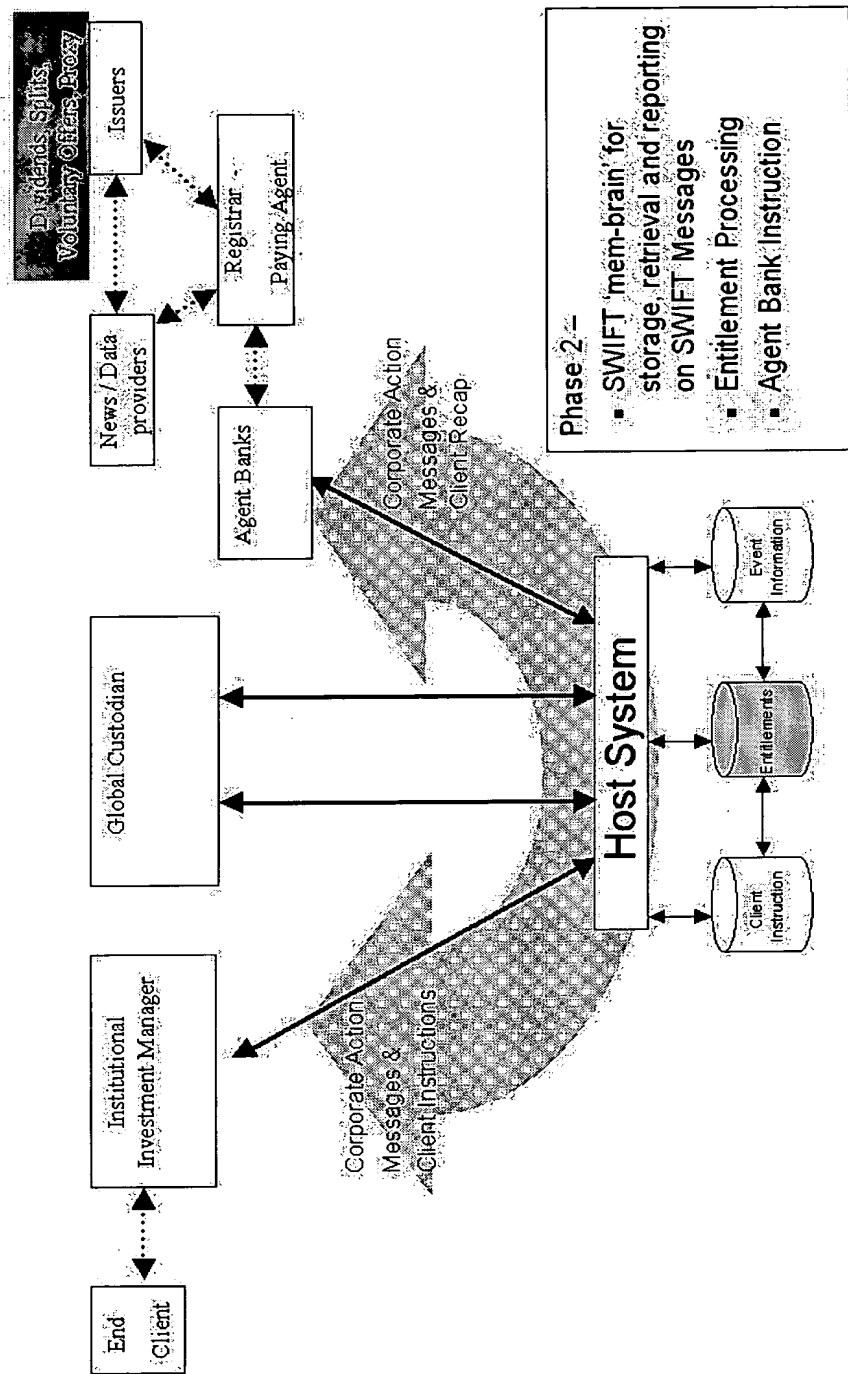


Figure 13

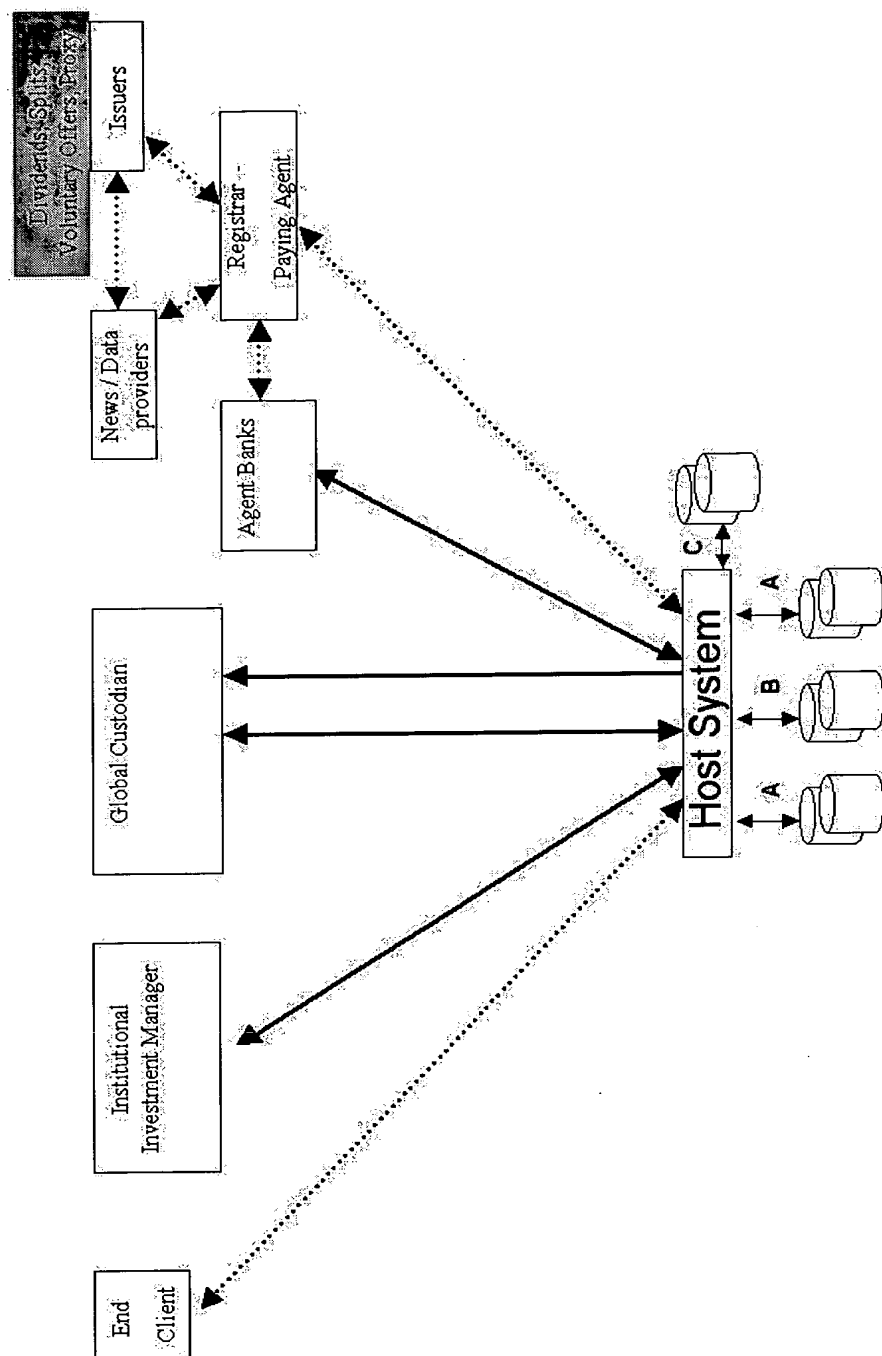


Figure 14

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Enter Data - Microsoft Internet Explorer

Address: http://localhost/xbxweb/demo3/bdfront/bf_enter_details.jsp

[Enter Data] Reports Audit Exit Help

DETAILS

Customer: JPeterson

Trade Date: 05 Oct 2000 Settle Date: 05 Oct 2000 Ticket Ref: 230549758

Buy/Sell: Buy Quantity: 0 Symbol: SNE

Security Full Name: Sony

Order Type: Market Currency: JPY Currency: Japanese Yen

Limit Price: 0.00 Commission: Country: JP

Default Instructions: Cash Account: Alliance Capital 3901701 Security Account: Alliance Capital 3901701

Order Clear

Figure 15

http://localhost/xbxweb/demo3/bdback/bdback_enter_details.jsp - Microsoft Internet Explorer

Address: http://localhost/xbxweb/demo3/bdback/bdback_enter_details.jsp

[Enter Data] View Incoming Reports Audit Exit Help

MULTI ORDER

DETAILS

Order to Match

| FROM | STOCK TICKER | TICKET REF | BUY SELL | QUANTITY | UNIT PRICE | CURRENCY CODE | COUNTRY CODE | CASH ACCT | SEC ACCT |
|------------------|--------------|------------|----------|----------|------------|---------------|--------------|-----------|----------|
| Alliance Capital | SNE | 230549758 | Buy | 100 | | JPY | JP | 101 | 101 |
| Total: | | | | 100 | 0.0 | Average | | | |

Enter Matching Order(s)

Trade Date: 05 Oct 2000 Settle Date: 05 Oct 2000 Ticket Ref: 230549758

Buy/Sell: Sell Quantity: 0 Symbol: SNE

Currency Code: JPY Currency: Japanese Yen

Unit:

Figure 16

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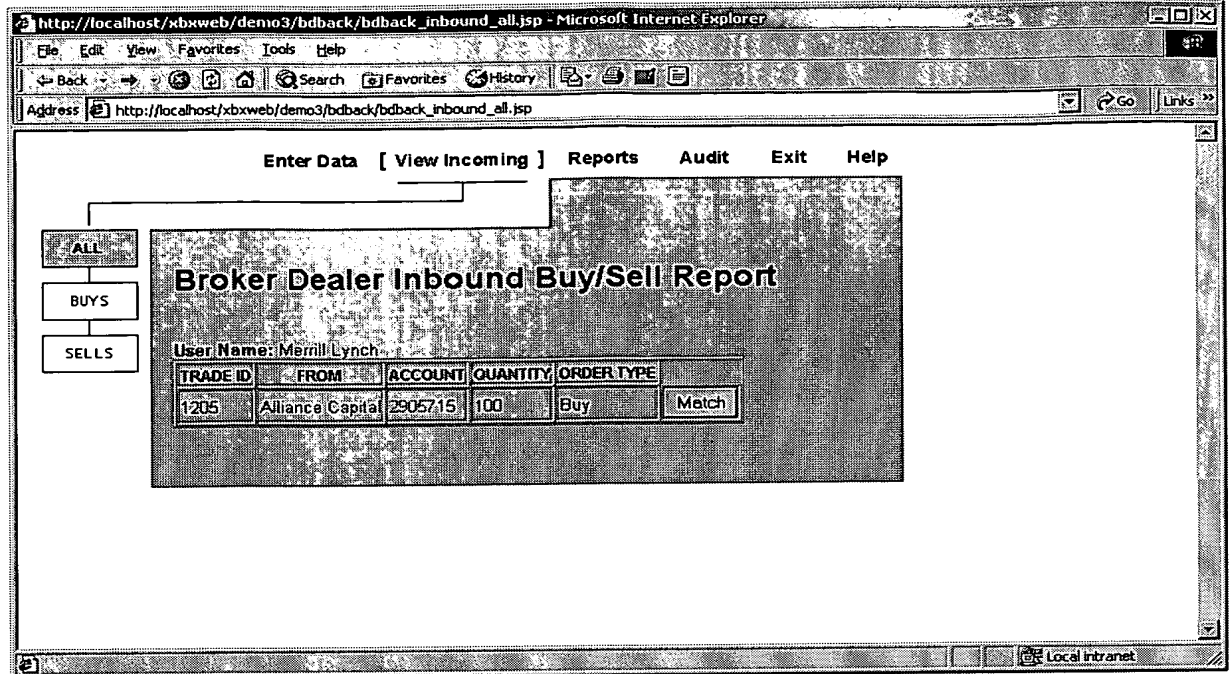


Figure 17

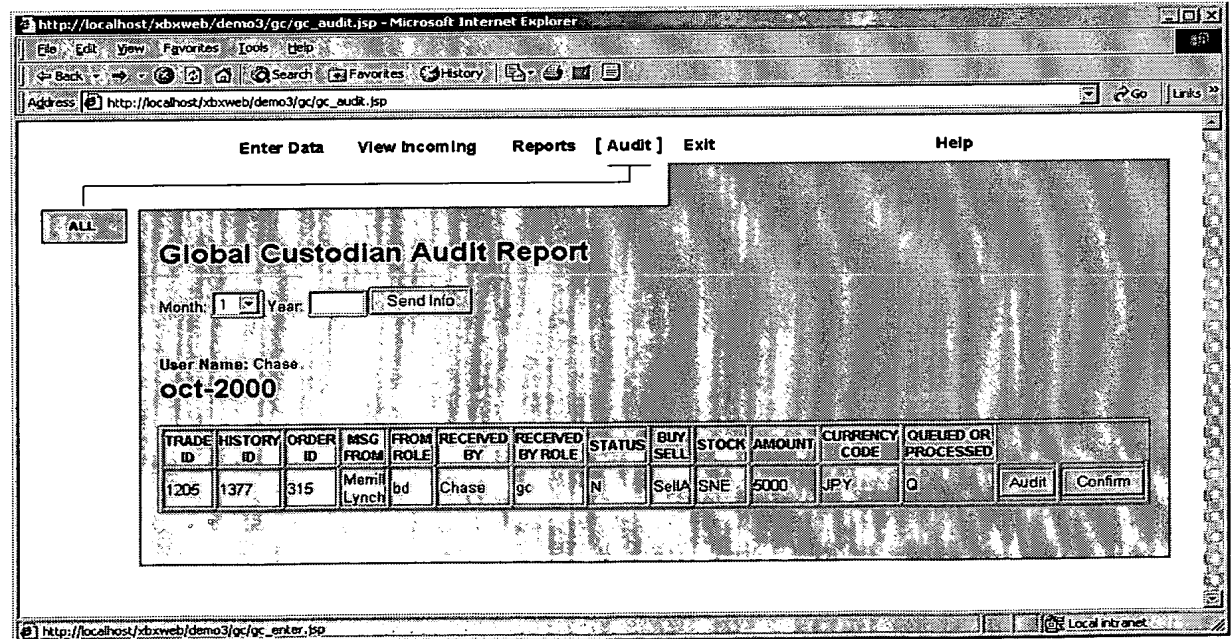


Figure 18

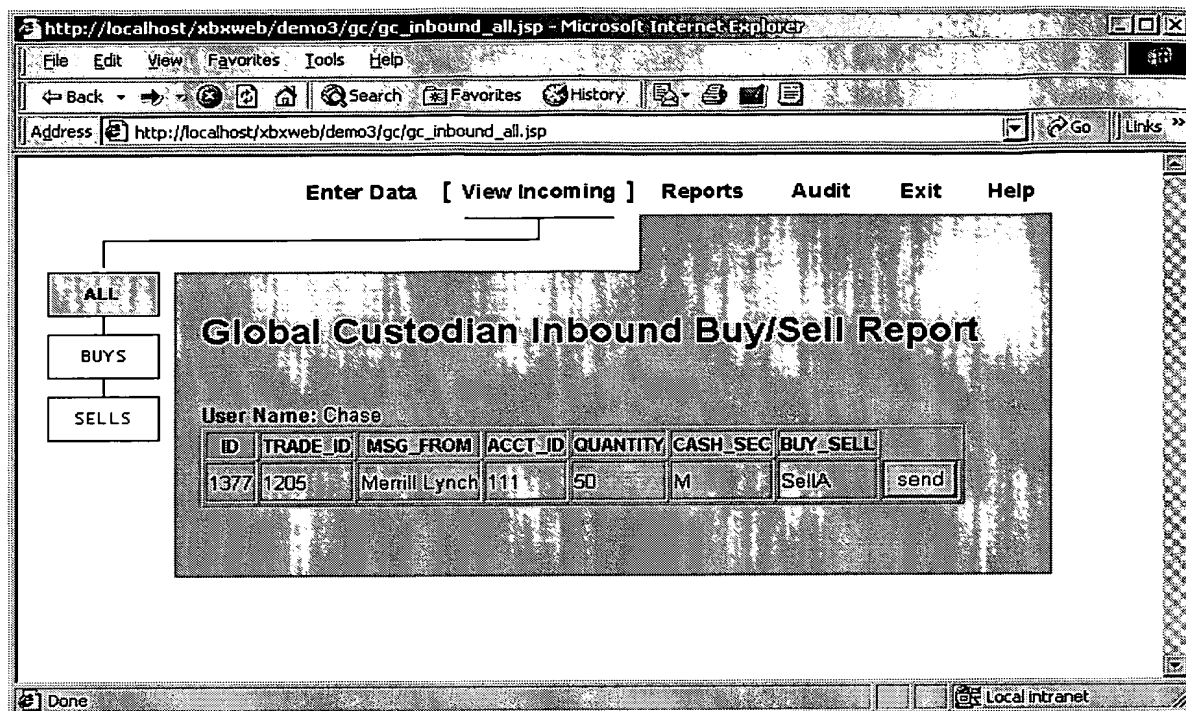


Figure 19

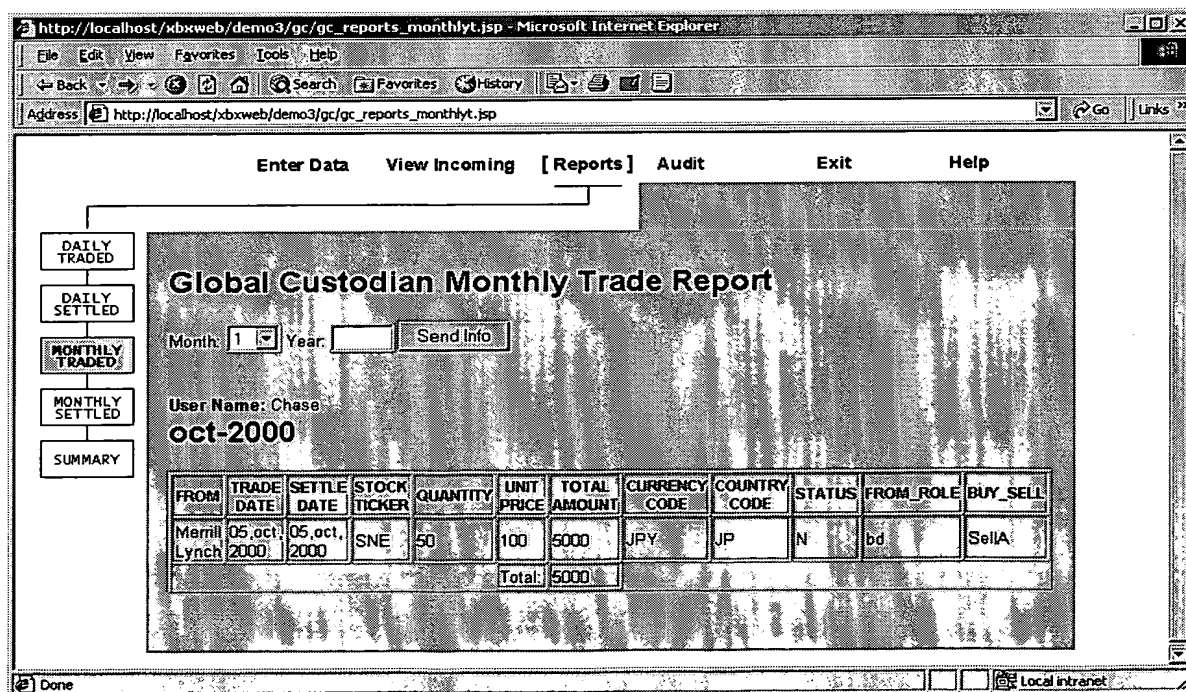


Figure 20

The screenshot shows a Microsoft Internet Explorer browser window. The address bar displays 'http://localhost/xbxweb/demo3/sc_audit.jsp'. The browser's menu bar includes 'File', 'Edit', 'View', 'Favorites', 'Tools', and 'Help'. The address bar also shows 'Back', 'Forward', 'Search', 'Favorites', 'History', and 'Go' buttons. The main content area has a navigation bar with 'Enter Data', 'View Incoming', 'Reports', '[Audit]', 'Exit', and 'Help' links. Below this, there is a button labeled 'ALL'. The main heading is 'Sub Custodian Audit Report'. Below the heading, there are input fields for 'Month: 1' and 'Year: ' (empty), followed by a 'Send Info' button. Below these fields, it says 'User Name: Bank of Montreal' and 'oct-2000'. A table with 13 columns is displayed: 'TRADE ID', 'ORDER ID', 'HISTORY ID', 'MSG FROM', 'FROM ROLE', 'RECEIVED BY', 'RECEIVED BY ROLE', 'STATUS', 'BUY SELL', 'STOCK', 'AMOUNT', 'CURRENCY CODE', 'QUEUED OR PROCESSED', and an empty column. The first row of data contains: '1205', '315', '1379', 'Chase', 'gc', 'Bank of Montreal', 'sc', 'C', 'Sella', 'SNE', '5000', 'JPY', 'Q', and an 'Audit' button. The status bar at the bottom shows 'Done' and 'Local intranet'.

| TRADE ID | ORDER ID | HISTORY ID | MSG FROM | FROM ROLE | RECEIVED BY | RECEIVED BY ROLE | STATUS | BUY SELL | STOCK | AMOUNT | CURRENCY CODE | QUEUED OR PROCESSED | |
|----------|----------|------------|----------|-----------|------------------|------------------|--------|----------|-------|--------|---------------|---------------------|-------|
| 1205 | 315 | 1379 | Chase | gc | Bank of Montreal | sc | C | Sella | SNE | 5000 | JPY | Q | Audit |

The screenshot shows a Microsoft Internet Explorer window with the address bar displaying `http://localhost/xbxweb/demo3/sc/sc_inbound_all.jsp`. The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The address bar shows the URL and a 'Go' button. The main content area displays a report titled 'Sub Custodian Inbound Buy/Sell Report' for 'User Name: Bank of Montreal'. The report includes a table with columns: ID, TRADE_ID, MSG_FROM, ACCT_ID, QUANTITY, CASH_SEC, and BUY_SELL. The first row of data shows ID 1379, TRADE_ID 1205, MSG_FROM Chase, ACCT_ID 105, QUANTITY 50, CASH_SEC M, and BUY_SELL SellA. To the right of the table are two buttons: 'process cash' and 'process sec'. Above the table, there are navigation links: 'Enter Data', '[View Incoming]', 'Reports', 'Audit', 'Exit', and 'Help'. On the left side of the report area, there are three buttons: 'ALL', 'BUYS', and 'SELLS', with a line connecting the 'ALL' button to the report title.

Enter Data [View Incoming] Reports Audit Exit Help

ALL
BUYS
SELLS

Sub Custodian Inbound Buy/Sell Report

User Name: Bank of Montreal

| ID | TRADE_ID | MSG_FROM | ACCT_ID | QUANTITY | CASH_SEC | BUY_SELL |
|------|----------|----------|---------|----------|----------|----------|
| 1379 | 1205 | Chase | 105 | 50 | M | SellA |

process cash process sec

Local intranet

Figure 22

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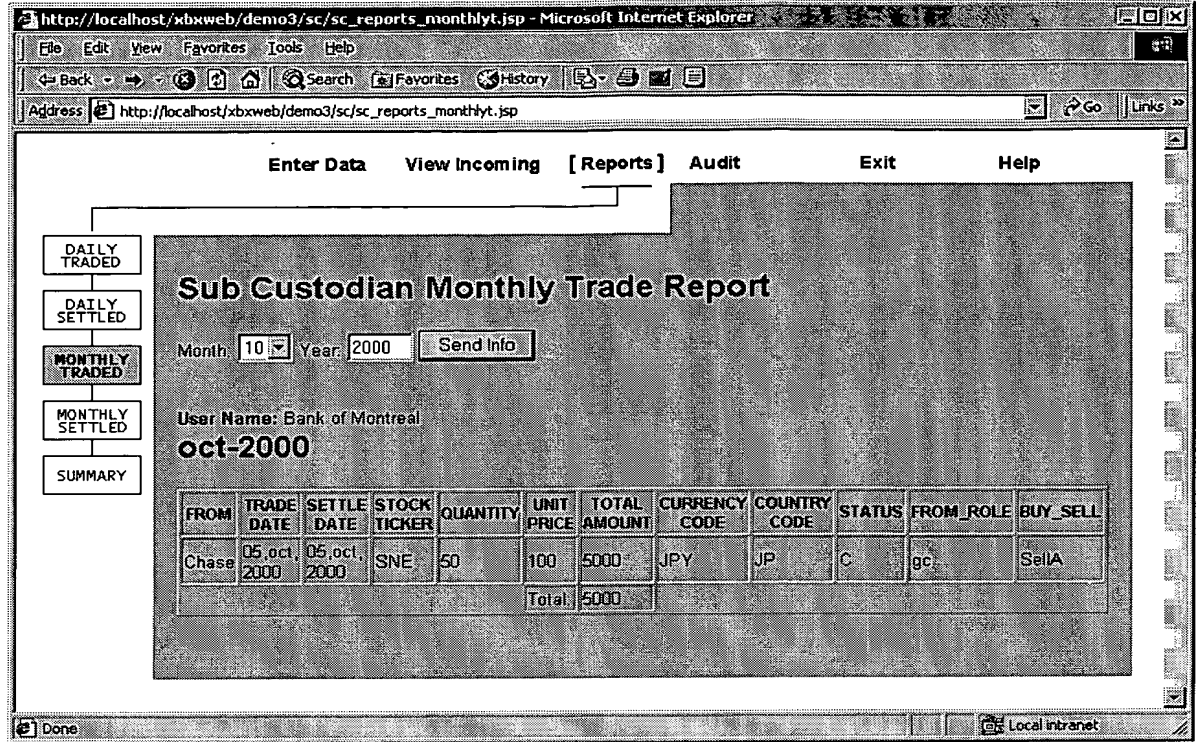


Figure 23